

WHIPPLE NARROWS NOTE LEAK INQUIRY

Investigator Seeks Names of
Big Stock Traders Between
Dec. 10 and 18.

LIGHTENS BROKERS' TASK

Inquiry Won't Be Confined to
Short Sales—Customers Es-
cape Publicity.

"The present effort of the House Rules Committee is to ascertain who bought and sold stocks in large amount between December 10 and December 18. These are the men we expect to call upon to testify."

This statement was made last night by Sherman L. Whipple, counsel to the House committee which is investigating the alleged "leak" of advance information concerning President Wilson's move to the belligerent Governments. It followed the issuance by George W. Ely, secretary of the New York Stock Exchange, of a much modified request for information by brokers to aid the committee in its inquiries.

In its latest document—the third to be sent to members of the exchange—the committee indicates that the investigation is not to be confined to the short side of the market, as was expected by exchange officials. The inquiry will cover the 113 Clearing House stocks, which comprise about 90 per cent. of the dealings on the exchange.

Much satisfaction was expressed among the larger houses over the modification in regard to making names of customers public. It had been feared that even if the information were supplied to the committee in confidence, names might occasionally leak out, as in the case of previous investigations.

Test Gully Public Officials.

"The committee is anxious to find out whether or not any public official was in the market in the period under inquiry," said Mr. Whipple to the newspaper men. "We would be extremely sorry to cause annoyance to others."

It was explained further that the latest modification was made in order to ease the task of brokers and their clerks in preparing for the committee details which are not now essential to the investigation. It is thought that it will make immediately available the information which at this stage of the inquiry at least is regarded as most important.

The new order made it clear that the committee will probe only sales, for either long or short account, of 1,000 shares or more. This is expected to expedite the committee's work to a great extent. It was estimated yesterday that most of the information wanted would be available to the committee almost at once, whereas if a record of all sales down to 100 share lots had been demanded exchange members would not have been able to complete the full request for a month or more.

It is not the "little fellows" the investigators are seeking. They want to locate the men who profited heavily from the turn of the market, believing that among them are the beneficiaries of the "leak." If there was any, and that the big winners are most likely to possess the desired information involving public officials.

Statement to the Brokers.

The statement sent to exchange members following the receipt of a modified explanation from the committee was as follows:

"In explanation of the request made by the Rules Committee through the governing committee of the exchange and in order to expedite responses, counsel for the Rules Committee states:

"1. The account and statement filed by brokers with chairman of the committee on clearing house will be examined only by accountants satisfactory to the houses filling the accounts or approved by the Stock Exchange officials.

"2. The list of customers without symbols connecting them with accounts called for by the request will be furnished in sealed envelopes to the chairman of the committee on clearing house and will be opened and inspected only by a member of the Rules Committee or its counsel, and when they have served their purpose will be returned to the firm furnishing them, and no copies kept, meanwhile being retained in the custody of the chairman of the committee on clearing house. This list should include all customers who during the period in question bought or sold any stocks, bonds or other securities, or who during that period had an open account on the books.

Stock Balances Sought.

"3. In lieu of the trial balances as of the close of business on December 9, asked for in the call, it will be sufficient to furnish the stock balances in Clearing House stocks only, both long and short, in those accounts in which purchases and sales of Clearing House stocks during the period in question exceeded 1,000 shares in aggregate, the accounts to be designated by symbols. The condition of the account, aside from the amount of stock of which the customer is long or short, need not be stated, and those stocks in which transactions whatsoever occurred during the period in question may be altogether omitted. The general account of the firm itself need not be given, except in those cases where the firm itself or its members has during the period in question bought or sold for its own account or for the members thereof 1,000 or more shares of Clearing House stocks. In such cases the amount of stocks in which dealings occurred of which the firm was long or short at the close of business on December 9 should be given, but otherwise no information as to the affairs of the firm itself.

Regarding Firm Members.

"In case of a member of a firm the account should be treated the same as a customer's account where transactions in Clearing House stocks are concerned. If any house so desires it will be perfectly satisfactory to the committee for it to retain in its own custody the key index showing the connection between customers' names and the accounts until asked for by the committee, and then submitted directly to the Rules Committee by a representative of the firm instead of through the committee on clearing house of the exchange.

Mr. Baruch to Testify Again.

Mr. Whipple said that Bernard Baruch would be called to the stand again, his testimony not having been completed. He declined to give the names of others expected to testify.

market would follow the investigation. Mr. Whipple, on the other hand, said he had given no thought to possible legislation.

Mr. Whipple received several oral responses from Stock Exchange houses yesterday. He is obtaining much information in personal conversation with men of big firms. He believes the brokers are generally appreciative of the efforts of the committee to lighten their task and that they desire to reciprocate by giving all the information requested.

INTERMITTENT WIFE OBTAINS A DIVORCE

Mrs. Reba Porter Tells Court
of Piceneal Honeymoon
in Many Cities.

Mrs. Reba Porter of Island Heights, N. J., whose features grace the new Canadian coins and gaze at one frequently from magazine covers, has obtained a divorce from her migrant husband, Henry A. Porter, habit unknown, yesterday. She is obtaining much information in personal conversation with men of big firms. He believes the brokers are generally appreciative of the efforts of the committee to lighten their task and that they desire to reciprocate by giving all the information requested.

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BRECKINRIDGE HELD ON BRIBERY CHARGE

Indictment Filed an Hour After
Judge Swann Replied
to His Accusers.

ADMITTED TO \$2,500 BAIL

District Attorney Tells Govern-
ment of Corruption in Of-
ficial Circles.

Developments in the Breckinridge-Swann controversy came fast in the Criminal Courts Building yesterday. Within an hour after Judge Swann had made public his answer to the charges made by the City Club to Gov. Whitman an indictment was filed charging Lucian S. Breckinridge, one of Judge Swann's chief accusers, with bribery.

Mr. Breckinridge was notified of the Grand Jury's action, and soon after 2 o'clock went to the Criminal Courts Building with Martin W. Littleton, his attorney, and Edward A. G. Wylie, Judge Mulqueen's court was adjourned, and no Mr. Breckinridge went to the detective bureau in the building, where he met Detective Barney Flood, who had a warrant for his arrest, and surrendered.

Then the whole party adjourned to Judge Mulqueen's chambers, where Mr. Breckinridge was admitted to \$2,500 bail for his appearance on Monday, when he will plead to the indictment. The bond was furnished by the Fidelity and Deposit Company of Maryland. When Mr. Littleton was asked for a statement he smiled and said that he did not think one was necessary, but finally added, with a sarcastic intonation:

"This seemed to be a day for generally answering charges, not only in the city but in the State as a whole. This seemed to be a long thought of and well timed indictment."

Indictment Causes Stir.

The indictment of Mr. Breckinridge, coming so quickly after Judge Swann made public his denial of the charges made by the City Club, caused quite a stir in the Criminal Courts Building. It was rumored that the indictment had been voted by the Grand Jury a day or two ago but that it had been held up for reasons best known to Judge Swann.

The indictment is based partly on the testimony of witnesses who also testified before Chief Magistrate McAdoo. They said that when the manufacturers asked for protection from the District Attorney and the police Breckinridge told them that it would cost them \$5,000, but they finally gave \$500 to A. L. Wilson, who has figured in stories told to District Attorney Swann as the link between Breckinridge and the Division Street Clock and Suit Protective Association, the manufacturers' organization. Other payments are said to have followed.

Wilson, who has been a figure of more or less mystery in the case, has testified before the Grand Jury and is believed to have filled in the gap between Breckinridge and the manufacturers. Mr. Littleton said that Wilson originally went to him and made a statement exonerating Breckinridge. His bail was later raised to \$10,000; he was placed in the Tombs and later succeeded in getting bail and became the District Attorney's witness. He had been convicted of forgery in 1905 and got a suspended sentence.

\$500 Cause of Indictment.

It is this payment of \$500 which is mentioned in the indictment which charged that Breckinridge "unlawfully and corruptly did feloniously ask and receive and agree to receive of and from the said Henry E. Jacobs, Jacob Klein, Samuel Ephman, Meyer Cohen and the said corporation a bribe and certain money, to wit, the sum of \$500 in money, upon an agreement and understanding

that his action, decision and official proceeding should be influenced thereby." Judge Swann in his answer to charges made to Gov. Whitman denies all charges of misconduct made against him. He tells of the indictments which were found against laborers and which he says were not tried. He questions the evidence on which they were obtained and says:

"Much of the evidence which was supplied to Mr. Breckinridge came from a private detective agency, operating under the guise of an alleged labor union, which was supported by contributions of seventy-nine sweatshop contractors for the specific purpose of destroying the labor union, to which most of the defendants belonged."

He goes on to characterize the head of this agency, Max Sulkes, as an unscrupulous man, and adds that while he was on the bench he "would not allow a verdict of guilty to stand which was founded on his testimony or on any testimony procured by him unless it was corroborated."

Tainted Evidence Used.

Mr. Swann goes on to say that there were sufficient grounds for the belief that the indictments were the result of weapons in an industrial struggle, that some of the evidence was tainted evidence and had been stolen and paid for with the city's money.

"When I came, therefore, to the consideration of the proper determination of these labor cases," says Judge Swann, "I determined as a result of my knowledge of all the facts and circumstances that there was not sufficient credible legal evidence to justify me in putting the defendants to trial."

"As District Attorney I recognized my duty to these defendants as well as to the people. In arriving at a conclusion in these cases I acted in my capacity as a quasi-judicial officer whose duty it is to see that no innocent man is convicted. My policy has ever been carefully to consider the prisoners' rights without allowing the instinct of the advocate to obscure my sense of justice to the defendant."

His Record for Justice.

"I desire that my record as District Attorney be judged not by the number of convictions that I obtain but rather by the ascertainment of the exact truth in the greater number of cases, no matter on which side the truth may lie."

Judge Swann also denies that he attempted to coerce or intimidate Mr. Breckinridge for the purpose of preventing an investigation, "and I further deny that I used the position or authority of the office of District Attorney of the county of New York wrongfully or to the scandal or reproach of the administration of the law."

He also justifies his using the newspapers in which to reply to the accusations that had been made against him in these papers by Mr. Breckinridge, and says that he believes his action was proper under the circumstances. He concludes by submitting that the charges are insufficient in law and do not warrant further consideration.

RAND IS HECKLED IN SAFFORD CASE

Special Prosecutor Bombarded
With Questions by Gerson
Stern, a Juror.

COURT REBUKES LATTER

Day's Proceedings Are Marked
by Denunciation on
Both Sides.

Heckling of Special Prosecutor William Rand, Jr., by a juror caused a stir yesterday afternoon at the trial of Franklin D. Safford, the Plainfield, N. J., hotel clerk for perjury in the "Oliver Osborne" case, and brought forth a rebuke from Judge Learned Hand.

The juror, Gerson Stern, a real estate dealer of 520 West 125th street, is middle aged. While Benjamin Slade, representing Safford, hurled vituperations at the Government's witnesses, and especially at James W. Osborne, for three hours during the morning session Stern sat quiet and attentive.

When Mr. Rand began his summing up in the afternoon the trouble started. First Juror Stern interrupted him to inquire what luggage Charles H. Wax, who the Government claims is the real Oliver Osborne carried upon his trip to the Plainfield hotel with Rae Tanager. This question was hardly disposed of when he asked how the secret service men acquired the key to Wax's trunk.

He then inquired of Mr. Rand, "Why is it you say we shouldn't believe handwriting experts when the Government always calls them?"

Mr. Rand Explains.

"I did not say that you should never believe these experts," Mr. Rand explained patiently, "but I only want you to know that if you were to take everything they say seriously they could just as well convince you that George Washington wrote the Oliver Osborne letters."

The prosecutor then spoke of the honorable character of Harold Spielberg, Miss Tanager's former lawyer, who testified that she told him that James W. Osborne was not Oliver. As soon as the words left his lips Juror Stern broke in with the remark, "You praise Mr. Spielberg. Have you looked up his reputation in the Tenth district, where

he ran for Assemblyman? And what about Mr. Leventritt's case?"

The last question dealt with a suit that had been alluded to during the trial and was stricken from the record by Judge Hand.

"You have sworn to be guided in your judgment of this case solely by what appears in the record," Mr. Rand retorted. "Is there any evidence that Mr. Spielberg is not what I have told you he is?"

"Yes," replied the juror, "if you want evidence, I can give it to you."

"I mean evidence that has appeared in this case," Mr. Rand thundered.

Rebuked by the Judge.

At this juncture of the proceedings Judge Hand turned to the juror and said: "The nature of your inquiry seems to indicate that you are prepared to decide this case by what you have heard outside rather than upon the evidence. It would be impossible to arrive at a just solution if jurors were to permit their own private prejudices to guide them in arriving at their verdict."

"I don't think that you appreciate the position that you are in. I am amazed to hear from a juror the remarks that you have just uttered. You have no right to take into consideration anything that any one outside has told you, or that you have read in the newspapers. Your oath binds you strictly to the evidence as ruled upon by the court."

The juror nodded his head and settled back in his chair, and Mr. Rand then said to him: "The fact that Mr. Spielberg was asked on the witness stand about a case does not make this case any for your consideration. You understand that a lawyer's question is not evidence, don't you?"

The juror nodded his head as if in assent.

Mr. Rand was also interrupted constantly in his summing up by Benjamin Slade, who he was admonished by the court not to interfere with his adversary's address.

Sarcasm and Denunciation.

The entire session was full of sarcasm and scathing denunciation. Mr. Slade called James W. Osborne a "crafty person," and Charles H. Wax "an all round bad egg," while Mr. Rand referred to the self-confessed king of larks as "a merry cause."

"I am sorry that we have to use this type of man as a witness," he said. "Throughout this trial of legal wit and oratory, the defendant, Safford, stroked his white mustache, turned alternately pale and crimson, and studiously avoided the gaze of two persons. These were James W. Osborne, who, he swore, registered at the Hotel Kensington in Plainfield more than two years ago as Oliver Osborne, and Charles H. Wax, who, he swore, was a secret service man after a long search, has confessed that it was he, and not the lawyer, who made this much discussed trip."

The case will go to the jury about noon to-day, after Judge Hand's charge.

SAYS "WAR BRIDES" WILL RUIN MOVIES

P. A. Powers Declares Invest-
ments of Munition Makers
Put Business "on Bum."

WHITE HOUSE SNUB OF LODGE IS DENIED

Senator's Name Not Stricken
From Visiting List—Slight
Unexplained.

WASHINGTON, Jan. 26.—The White House denied today that Senator Lodge's name had been stricken from the visiting list because of his criticism in Congress of the President's policies, while accepted by most people here, was hardly consistent with a story that gained much credence at the Capitol to-day that Senator Lodge was not invited to the diplomatic dinner and because of that fact Senator Stone remained away. "The information came from the White House that Senator Lodge was invited to the 'last reception,' but this does not explain the reported omission from the diplomatic dinner."

Senator Stone was asked by one of his friends just before he left for St. Louis concerning the report that he had disapproved formally of what appeared at the time as a slight upon Senator Lodge, but declining to discuss it, Senator Lodge has persistently refused to discuss the matter of White House invitations.

Selling Pictures Under Cost.

"I know concerns in which from one to three millions of dollars have been put and in which more is going which sell pictures at less than cost, and we have to compete against that. There is no munitions or sugar money in the University."

"Sooner or later the well established industry will make money, but the business of producing pictures will collapse if any further taxation is placed upon it now."

Mr. Powers pictured the movie business as Atlas bending beneath the weight of stars' salaries, increased cost of production, censorship, threatened Sunday closing, heavy taxation and press agents.

"Don't take the press agents too seriously," he advised. "I testified that we had figured on spending \$50,000 on our under sea production, and that it actually cost \$200,000 to produce. Now my press agent insisted that I tell the committee that it actually cost \$500,000. You gentlemen may judge for yourselves the truth of some of the yarns of the press agents."

54 Companies Went to Smash.

Fifty-four companies which sprang up last year, with at least \$100,000 capital, according to Mr. Powers, fell by the wayside.

After the gloomy picture of the business painted by Mr. Powers he proceeded to tell of the organization and

mushroom growth of the company of which he is treasurer, beginning a few years ago with a "shootring" and now composed of thirty-two subsidiary corporations and numerous agencies all over the world, which has somehow escaped the blight which has fallen on the industry.

Here is Foolish Question No. 13,864 directed to Mr. Powers:

"After you paid these actors their exorbitant salaries and spend money putting a picture on the market does the actor give back his money if the picture is a loss?"

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Chicago Burglar Confesses.

CHICAGO, Jan. 26.—Adam Prochowski, arrested in Evansville, Ind., Wednesday and brought back to Chicago last night, confessed to-day that he recently robbed the homes of several wealthy residents of the Lake Shore Drive district, according to State's Attorney Mackay Hayne.

Prochowski said that he committed the robberies alone and that they were all accomplished with the aid of a jimmy, a long hatpin and a newspaper. He asserted that he did not carry firearms.

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Men's Shirts at \$1.50

A collection of high-grade shirts in which is represented the newest and most exclusive shirtings from the looms of Europe and America. A finer assortment of patterns and weaves has not been seen for some time.

Each garment is tailored in a way which reflects skill of an unusual degree, and in soft-cuff, stiff-cuff and pleated front models the diversity of cloths and patterns is remarkably inclusive.

Some of the Weaves:

Russian Cords, Ruggle Weaves,
Japanese Crepes, Silk Striped Madrale
Madras, Imported and Domestic Madras

An Important Special

Sale of Men's Silk Cravats at 85c, 69c, 39c

The most beautiful collection of silk neckwear it has ever been our privilege to present at these prices. They are not scarfs made especially for sale purposes, but a special purchase of high-grade cravats, made by a manufacturer who specializes in neckwear of the better kind.

Well represented at each price will be found Paisley effects, Regimental and club stripes, Brochet figure designs, and all-over patterns, in almost every color and combination. Main Floor.